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"BUSINESS MANAGEMENT OF A NEWSPAPER"

By Wm. H. Field, Business Manager of The Chicago Tribune

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The FACULTY—Address:

THE UNIVERSITY OF NOTRE DAME,
Notre` Dame, Indiana.

The STUDENTS—Address:

As for the Faculty, except that the name of the Hall in which the student lives should be added.

There are at the University a Post Office, a Telegraph Office, a Long Distance Telephone, and an Express Office.

The University is two miles from the city of South Bend, Indiana, and about eighty miles east of Chicago. The New York Central, the Grand Trunk, the Vandalia, the Indiana, Illinois & Iowa, the Chicago and Indiana Southern, and the Michigan Central Railways run directly into South Bend. A trolley line runs cars from South Bend to the University every fifteen minutes.

The Latitude of the University is 41 degrees, 43 minutes, and 12.7 seconds North, and 86 degrees, 14 minutes and 19.3 seconds West of Greenwich.

The elevation is about 750 feet above the sea.

From this it is clear that the location is favorable for a healthful climate where students may engage in vigorous mental work without too great fatigue or danger to health.

THE BUSINESS MANAGEMENT OF A NEWSPAPER*

I N the minds of most of those who read newspapers without having anything to do with their making, and indeed in the minds of many of those who have to do only with the news and editorial side of newspapers, the romance and human interest of the newspaper business are confined to those who find and write the news. The newspaper in fiction is usually illustrated by the adventures of either the star reporter or the cub reporter, whose thrilling experiences and eventual promotion might lead one to believe that upon them only rests the success or failure of their particular newspaper.

There are, however, just as many interesting assignments, just as many unexpected happenings, just as much of gratifying success and of discouraging failure in the day's work of the advertising man and the circulation man, as in the experience of the reporter.

For the better presentation of the subject, the business side of a newspaper may be considered as consisting of four divisions which are respectively, Accounting, Advertising, Circulation and Manufacturing.

In the management of any business, no matter what its size or nature, one has to deal with the same human qualities, the same enthusiasm (or lack of it), the same loyalty, energy and efficiency with which the captain of a football team has to deal. The first thing that

*An address by Wm. H. Field, Business Manager of *The Chicago Tribune*, delivered before the students in the school of Journalism at the University of Notre Dame, March 12, 1913.

the head of any business must recognize is the fact that no one man, no matter of what ability or energy, can accomplish by himself all that is necessary to accomplish in the management of that business. The secret of successful management lies in the happy choice of subordinate department heads; the assignment to them of a proper amount of authority and responsibility; encouragement, praise and helpful criticism when it is due, and the requiring of results.

The Accounting Department of a newspaper deals with three main items, each one of which includes an almost infinitesimal number of detail branches. It must be confessed that of all the divisions of the business side of a newspaper, that of accounting is the driest and least interesting to the layman, although certainly not the least important. The three elements with which the Accounting Department has especially to do are, Receipts, Disbursements and Accounts. In dealing with this branch of the newspaper business I shall refrain from mentioning the phases of accounting work by their technical names, in the belief that a subsequent lecture in this same course will cover the subject of accounting completely and will be scholarly and valuable, whereas whatever I might say would be of less technical worth.

Under the head of Receipts the Accounting Department has the highly important function of determining that the proper charge is made for all advertising printed and for all copies of the newspaper sold. When one considers that a single daily issue of a newspaper like the *Tribune* frequently contains as many as 2,500 separate advertisements, each one of which must be checked and rechecked several times, one can get some idea of the enormous amount of detail that is necessary.

After the charges have been made, it is also necessary

for the Accounting Department to see that they are collected from advertisers and newsdealers. This involves a detail of billing and collection work that in itself is no small task. Our Accounting Department renders about 24,000 bills every month.

Having determined that the newspaper is charging and collecting for all the service rendered to its advertisers and its newsdealers, it is also necessary for the Accounting Department to make sure that the disbursements are handled in the proper manner. All bills must be audited, prices checked against the requisitions for supplies, and remittances made at the proper times to take all discounts which are allowed. In this connection, it may be interesting to note that *The Tribune* pays about 3,500 bills per month. To the uninitiated the single precaution that each bill should be paid only once is of itself sufficiently staggering.

The third function of a newspaper Accounting Department is that which I have designated as Accounts. By this I mean the actual accounting itself, which includes the distribution of charges against the proper departments and the credits of collections in the same way. This division of the Accounting Department's work is extremely vital because the results of it show the management whether or not the Company is making a profit, and which of the vast number of departments and sub-departments needs a check or an impetus. We have between 700 and 800 separate accounts to which charges or credits are made.

You will appreciate that I have touched upon newspaper accounting in the most casual way. If I were talking to the students of a business college, I should go more into detail, but I take it that you are more interested in the human side of the business management of a newspaper and in the nature of the work

that you who graduate may expect to do in the newspaper business. Few, if any of you, will do actual newspaper accounting, although I hope that some of you will eventually have supervision over it. If you do, you will be fortunate if you find an auditor or chief accountant who will look upon his work as the poet or the painter looks upon his. I know of only one such man and he is as interested in this somewhat dry subject of accounting, and as devoted to it, and as proud of his shortcuts, time and labor saving devices and other innovations as a poet or an artist could possibly be of his masterpieces. Such a man will organize and train his department toward its maximum efficiency, as will the captain of an athletic team organize and train his men toward the big event of the season.

Another division of the business side of a newspaper, and the most important one from a revenue-producing standpoint, is the Advertising Department. Practically all the revenue of a newspaper comes from two sources, advertising and circulation. Of the total revenue of a penny newspaper about 70 per cent comes from advertising and 30 per cent from circulation. The Advertising Department of a metropolitan newspaper offers a splendid field of work for young men who are not afraid of work. Ten or fifteen years ago the advertising business was on a much lower plane than it is to-day. In the old days the successful solicitor of advertising was the middle-aged man with a big voice and hearty manner, fine clothes and a liberal expense account. Such men flourished in the days when newspaper and magazine space was sold in bulk to a comparatively few so-called advertising agents, who in turn jobbed it out to the less fortunate advertiser, taking as their profit the difference between what they had contracted to pay the publication for the space

and what they were able to wring from the advertiser in the way of excess charge. There was no fixed rate for advertising space and in many cases the publisher's representative was not able to tell his prospective customers what they would have to pay for space in his publication. The matter of price was largely in the hands of a few of these advertising agents.

Business for their respective publications was secured in those days by such representatives largely through personal acquaintance and good-fellowship. Logical argument, sound reasoning and service to the advertiser were conspicuously absent. The advertising business in those days did not have a very good reputation and for such reasons as the foregoing, did not deserve one.

Today the situation has materially changed. The old-fashioned publisher's representative has given way to the energetic young man who must give sound reasons before he can secure the business of any advertiser. Acquaintance is still and always will be a desirable qualification, but its chief value to-day is to give credence to the claims and arguments of the fortunate representatives who possess it. If a man is known to be honest and clean in his habit of thought and manner of life, the statements that he makes on behalf of his publication are believed. If he is known as a careless, reckless individual, it is only natural to accept what he has to say with a mental reservation.

Young men of to-day are starting in the newspaper advertising business at a minimum salary of from \$10.00 to \$15.00 a week, and it is not unusual to find advertising managers or special representatives of single newspapers who are paid as much as \$15,000.00 to \$20,000.00 a year. Some of the so-called specials, who represent a list of newspapers, are said to make even more money than this.

The Tribune's advertising department is composed of two broad divisions, both under the jurisdiction of the advertising manager. One division looks after the so-called classified business, which is composed of the small Want Ads, and the other has to do only with the larger advertisements, which are known as display. The total volume of advertising printed in the *Tribune* is about equally divided between classified and display, although the former brings a much lower rate than the latter.

The classified advertising department has at its head a manager who has under him approximately eighty representatives. This department is really a school for young men and young women who seek experience in the newspaper advertising business. We have a waiting list of forty or fifty names from which the newcomers are selected from time to time as occasion demands. We have what amounts almost to a civil service system in our advertising department and nearly every one of the higher paid representatives is a graduate of the classified department.

These eighty representatives may be roughly divided into four branches, which are: the main office solicitors, the solicitors at the counter in the business office, the telephone solicitors and the solicitors who work from two branch offices, one in the Northwest, and one in the Southwest sections of the City.

The main office solicitors meet every morning in a large room which is arranged like a school room. They have desks and blackboards and upon the latter are written various statistical records which indicate the work of the more successful individuals among these representatives, the figures of the same day in the previous year and in the previous week, which serve as an incentive, and various bits of interesting informa-

tion concerning the current work in hand. At this meeting the assignments for the day are made and usually one special topic is discussed which has reference to some new soliciting point, comment or objection which has been met by some of the representatives in their day's work. Sometimes we stage a little drama and assign to chosen representatives the parts of An Obdurate Merchant, The Merchant's Advertising Manager, and *The Tribune* Representative. The latter endeavors to convince the Obdurate Merchant that he should advertise. The Merchant gives his reasons for not advertising and criticizes *The Tribune* as well as newspapers in general. The colloquy is usually interesting and instructive, many points of argument being brought out on each side that are helpful to the other members of the department.

These solicitors who work from the main office follow a system of helping the advertiser expand to his possibilities, which is at once helpful to the advertiser and profitable to the Paper. The first step in securing an advertiser's business is taken by the cash solicitors, who cover the City with the exception of those sections served by the two branch offices. For the purpose of simplifying the work, the City is divided into a number of districts, to each of which one or more men are assigned. These men handle the many minor branches of Want Ads such as: Rooms To Rent, Board & Lodging, etc., and collect in advance from their customers for the advertising to be done, turning in the copy and cash at the main office each night.

Whenever these cash solicitors run across customers who are willing and able to sign contracts for regular advertising, such customers are then turned over to the second division, known as the contract solicitors. These contract solicitors obtain the signatures of the

advertisers to contracts calling for a minimum amount of space to be used each day for one year, for which certain specified reductions in price are made.

After these contracts have been secured by the contract solicitors and the advertisers signing them are thus established as regular users of space, the third division swings in and takes the advertiser off the hands of the contract solicitors. The third division is composed of the charge solicitors whose duty it is to see that the advertisers who have signed contracts begin gradually to use each day more than the minimum space contracted for. Care is always exercised to see that the advertiser's interests are considered first, and these charge solicitors are under strict instructions not to attempt to persuade an advertiser to increase his space unless increased returns are probable.

This system of passing the advertiser from hand to hand has proved to be a great success, especially for the advertiser who, without the constant pressure brought to bear upon him by these young men, might be satisfied to let well enough alone, which in this day of keen competition is not a wise policy. Many a merchant doing business in Chicago today has a young classified representative to thank for spurring his ambition. You can readily see, therefore, that there is an excellent opportunity for a young man of parts to show his ability even in this primary school of newspaper advertising. The nature of the work is such that ability is quickly apparent.

Another division of the classified work is that of the counter solicitors in the business office. The business office of a newspaper is its chief point of contact with that part of the public which is quickest to criticize. Uniform courtesy, tact and intelligence are the chief qualities required of those newspaper representatives

who stand behind the counter in the business office and receive the Want Ads brought in voluntarily by the public. There is much more to this work than the mere receiving of Want Ads and giving of information concerning costs and insertions. The man who shows himself to be really interested in the particular problem of the individual who brings in a Want Ad, will be able to suggest a change in its wording or in the date and number of its insertions, which will render a greater service to the advertiser than if his Want Ad had been merely accepted and a receipt issued for the money. You have heard of the personal service which *The Tribune* endeavors to render to its readers. This personal service is not confined to the news, editorial and feature departments alone. We have just remodeled our business office and removed from it a number of cashiers and clerks, leaving only those employees who actually come in contact with the public. We have established what we call an Advertising Service Bureau, consisting of several sub-divisions under which fall all the Want Ads brought into the business office by the public. Each one of these sub-divisions is presided over by a young man carefully trained and experienced, whose sole duty it is to study the problems confronting those who come into the business office to place Want Ads, and to help them secure what they seek, or sell what they have to offer. The purchase of space is only a small part of successful advertising. What goes into that space is vastly more important, and if the newspaper is far-sighted enough to realize that through the success of its advertisers comes its own reputation as a profitable advertising medium, its advertising receipts will grow.

One of the most interesting branches of the classified department is that which solicits and accepts Want

Ads over the telephone. Many newspapers have now taken advantage of the opportunities offered by the service of local telephone companies and established departments which not only receive, but also solicit advertisements over the telephone. The voluntary advertisements received in this way are stimulated through the announcements in the newspapers themselves. Telephone subscribers are urged to save their time and carfare, call up the office of the newspaper, ask for an ad taker and give their advertisements over the telephone. Any telephone subscriber whose name is in the telephone directory is privileged to do this and a bill is sent after the insertion of the advertisements. At first thought, the collection of the charges for such telephone advertisements might seem to be problematical. As a matter of fact men and women are naturally honest and the proportion of uncollectable telephone charges to the total telephone charges with us is only about 2 per cent.

In our own office we are not content with merely accepting voluntary advertisements over the telephone but we also have a corps of young women whose duty it is to receive assignments furnished them by the manager, call up and solicit advertising from those who have already advertised in other newspapers. This branch of the telephone work requires tact, training and long experience.

The remaining division of the classified department is that of the branch offices. Many newspapers printing a large amount of classified advertising have agencies among the drug stores in the various sections of the city, at which advertisements may be left and from which they are in turn transmitted to the main office of the newspaper. In addition to about 500 of these agency branches, we have two branch offices of our

own which are miniature reproductions of our main business office. Facilities are offered in these two branch offices for the receipt of voluntary advertisements over the counter and over the telephone. We also employ a number of schoolboys who live in the respective neighborhoods and who work after school hours soliciting business from the merchants and business men in the district. These offices are still in the experimental stage.

In the Want Ad columns of a newspaper are to found dozens of tabloid human interest stories that those who do not read the classified columns are unfortunate enough to miss. There is an appeal from a convict whose term in prison is about to expire and who must find work before he can be set free. A father, with memories of his own childhood days, seeks a rocking-horse for his small son and, dissatisfied with the modern make of rocking horses, wants to find one of the old-fashioned kind, perhaps stored in some dusty corner of an attic. A housewife, discouraged with the inefficiency of her cook, seeks a recipe or an actual pie such as mother used to make. A distracted mother pleads for information concerning her wayward son. These and dozens of other little heart-stories are to be found from day to day in the Want Ad columns of a great metropolitan newspaper. Shall we leave all the romance of the newspaper business to the Local Room?

The other main division of the advertising department is that which secures the publication of display advertising. With us, this department is composed of a much smaller number of representatives than are engaged in the classified department. There are about twenty-five in all and practically every one of them is a graduate of our primary school of newspaper advertising. To carry out further the idea of personal service to our advertisers

as well as to our readers, we have found it desirable to specialize in this branch of the advertising department. The various lines of business endeavor with which our representatives come in contact, are assigned among the display solicitors. For example, all the musical instrument advertising that emanates from Chicago, is looked after by one man who has nothing else to do. This man knows as much about the manufacture and merchandising of pianos as the average retailer of pianos in the City of Chicago. He is therefore in a position to be helpful to the piano advertiser and to offer pertinent suggestions, not only as to the size of space to be used, the days on which to advertise and the kind of copy to write, but also as to methods of handling and training salesmen, advantages in purchasing and in some cases even in manufacturing. In the same way we are constantly training specialists in the advertising of automobiles, financial, railroads, summer and winter resorts, furniture, clothing, shoes and many other minor branches.

The men in the display department meet each day with the advertising manager for a brief conference. New points of solicitation are brought up and discussed. Answers to objections on the part of advertisers are prepared for use by those who have been confronted with them. As in the classified department, statistical records are kept of the business of the same day in the preceeding year and week and efforts made to top these figures. Competition in the newspaper business is keen. With us in Chicago a daily report is kept by an independent audit company whose sole business is to measure and furnish to its subscribers, who are the newspapers themselves, the advertising which appears each day in all Chicago papers. By 9:30 every morning a report is laid on my desk which shows the

volume of business in each of the four morning papers for that morning and in each of the four evening papers for the day previous. This report is divided so as to show how much of the advertising is display and how much classified; how much comes from Chicago; how much from the West and how much from the East. Each classification of business is compared with the same day a year ago and you may be sure that the gains and losses are followed with interest. A monthly report is also received, which for display advertising gives the name of every individual advertiser in every one of the eight Chicago papers and the amount of space each one has used in each of the papers for the month. This enormous list is classified according to the kind of business advertised. No attempt is made to keep the name of the individual classified advertisers, but this business is divided by classifications and the amount printed by each one of the papers under each one of about three hundred and eighty classifications appears on this monthly report. While the Business Manager who has real supervision over all the business side of a newspaper has little time to solicit advertising himself, he must follow these reports closely and be able to put his finger on the weak spots in short order.

In addition to the solicitors who look after the advertising placed from Chicago only, which is known as local advertising, there is a separate office which has charge of the securing of business from the so-called national advertisers who are located west of Pittsburgh. A similar office is maintained in New York City to look after the advertising East of Pittsburgh. The men who are engaged in this work of securing national advertising are usually the "oldest living graduates" of our primary school of newspaper advertising. They must compete, not only with the other newspapers in their

own cities but also with other forms of advertising, such as magazines, trade papers, bill boards and street cars. Among such men in the newspaper business are to be found an increasing percentage of college graduates who have been attracted to this phase of the publishing business by the good pay and the opportunity to meet and engage in a battle of wits with some of the brightest and ablest business men in the United States.

The representatives of our display department, while they will always be known as solicitors as long as newspapers are published, are really engaged, not so much in selling newspaper space as in an honest and earnest effort to help the advertiser increase his business. They are instructed to talk to the advertiser about his own business rather than about our business. They are instructed to discuss with him the possibility of securing new trade and the best methods to adopt to go about it, rather than to discuss the extent and quality of *The Tribune's* circulation. We aim to have the representatives of our advertising department received eagerly and gratefully on the occasion of their visits, rather than given a hearing with impatience or reluctance. Time was when the advertising solicitor was classed with the book agent and the life insurance man. The time is rapidly approaching when the advertising representative of a great newspaper will come down to his office in the morning and find a line of advertisers waiting for him outside his own door. Every man wants to succeed. Every man wants to increase his business. When he learns that he can secure helpful advice from the publisher's representative, the latter will have come into his own.

No small part of a newspaper's personal service to its advertisers and to its readers is to be found in the advertising of advertising itself. Advertising is news,

as well as that part of the contents of a newspaper which is printed in the news columns. Advertising is the news of the stores. It is set in a type which differs from the regular body type of the news columns and is paid for by the advertiser. The newspaper which prints a great volume of clean, honest advertising news is far more valuable to its readers than another newspaper in whose columns are to be found a comparatively small number of opportunities to purchase.

Realizing that a large volume of advertising was an asset, not only in creating further advertising but also in rendering a newspaper of greater value to its readers, we sought for many months for a suitable plan by which we could explain to the people of Chicago the economic value to them of our large advertising patronage. We offered a series of prizes for the best true stories of how money had been saved by our readers through reading and buying from the display advertisements in our paper. The response to this offer was genuine and generous and we soon had a number of extremely interesting and valuable accounts of actual money-saving through the reading and answering of advertisements in *The Tribune*. These were published as a series of advertisements, not only in our own paper but also in several of the evening papers of Chicago. This human appeal to the natural instincts of economy, especially in this age of the high cost of living, produced a great deal of interest, and before the campaign had progressed six weeks we had actually added circulation, merely upon the strength of the fact that we printed a large volume of advertising. To the best of my knowledge, this is the first time that any publication has successfully sought to obtain additional circulation by this method. Included in the series was the testimony of a bride who was able to save nearly a hundred

dollars on her first purchase of furniture for the new home; the testimony of a resident of a nearby town who came to Chicago as the result of an advertisement in *The Tribune* and, deducting his railroad fare and expenses both ways, saved over fifteen dollars on an outfit of clothing. A lady who had been invited to attend her brother's wedding was at first discouraged because of the fear that her sister-in-law-to-be, who was a petted child in a luxurious home, might look with scorn upon her outfit of clothes. As she herself said in her letter, "I could not think of appearing before her in anything but the best." After having put off the matter from time to time, this woman finally, from an advertisement in our paper, found a suitable gown, ordered it by mail and was able to attend the wedding. She said in conclusion, "I do not know why my sister-in-law was so delighted with me, but I am vain enough to think that it was on account of that beautiful suit *The Tribune* helped me to secure." These and dozens of other instances show the human side of the advertising business of a metropolitan newspaper.

The third main division of the business side of a newspaper is that of circulation. There is a continuous circle of dispute in the history of newspapers as to which side of the business is the most vital to a newspaper's success. The advertising department claims that without the revenue from advertising space a newspaper could not live. The circulation department claims that without circulation there would be no advertising. The news and editorial departments claim that without their services there would be no circulation and consequently no advertising. It might be said in passing that this famous dispute has not as yet been settled.

For some time we have viewed our business as that of a manufacturing concern with a definite product to

manufacture and to sell. We have consequently organized our circulation department as the sales force of our manufacturing business, with the simply-stated duty of selling the product which our machinery turns out from the various kinds of raw material received. In addition to this duty, which is not as simple as it sounds, the head of the circulation department of a metropolitan newspaper should also be a judge of the news value of a story or the human interest value of a feature or a cartoon. Especially is it the case with evening papers that the circulation manager's views are consulted upon the question of the prominence that should be given to stories or features. Certain it is that the co-operation between the circulation department and the news and editorial departments should be close. When a story, or a feature or a picture which will be especially interesting to a particular section of the city, or to some section outside of the city, is about to be printed, the circulation department should know about it and consequently arrange to obtain an especially careful distribution in the neighborhood affected.

The city circulation of a metropolitan daily may be roughly divided into two groups. First that which is distributed by carrier to the homes, and second, that which is sold at stores, corners and hotels. Carrier circulation is eagerly sought by every morning newspaper for the reason that home-delivered copies of the paper are considered especially desirable by advertisers.

In some cities each newspaper has its own carriers who are either on the regular pay-roll of the newspaper or are subsidized in such a way as to make their services exclusive. In such cases the newspaper has the name and address of every person to whom copies of the paper are delivered by carrier. This is of course a desirable thing to have, but as you can readily appreciate, a very

troublesome and expensive record to keep. In Chicago all the morning newspapers are delivered by what are known as official carriers, who are really retailers of the paper. These carriers have a standing order with each newspaper for the required number of copies at dealer's rates and in turn retail the papers to the subscribers, hiring boys and young men to deliver them. The carrier's profits are confined to the difference between the dealer's price and the retail price of the paper which, in the case of Chicago newspapers, all of which sell at one cent retail, is not large. These carriers are not paid any money by the newspapers themselves and consequently no newspaper has in its possession the names and addresses of those to whom papers are delivered by carrier.

Papers sold at stores, corners and hotels are purchased by those who conduct news stands and who obtain their profits in the same way as do the carriers.

The main factor in the city circulation of a newspaper is the driver. We have a stable about twenty minutes' drive from our main office, in which we keep about seventy horses and an equal number of wagons. We have in addition half a dozen automobile trucks which are kept in a separate garage. Each driver brings his wagon to the office of publication at the appointed hour, takes on his load of papers with his delivery sheets, and makes his schedule delivery, whether to railroad stations, carriers or newsdealers.

In addition to being delivery men, most of our drivers are also collectors and salesmen. All city circulation is collected for in advance, and upon two certain days of the week it is the driver's duty to take orders for the following week's supply, and to collect in advance for this supply, which serves as a standing order for the ensuing week. Of course a few extra

copies are carried to arrange for any extra demand that the newsdealer may have. These are sold on the C. O. D. basis. Copies of our paper are not returnable and it is therefore necessary for the dealer to be especially careful in specifying his orders, because he cannot return unsold copies and get credit for them. The question of whether or not a daily newspaper should be returnable is one of the great problems before the metropolitan newspapers of the United States. It cannot be settled arbitrarily, the conditions in each city being different. We have found it to be a cleaner and more economical way of doing business to have our paper non-returnable, thus eliminating the possibility of the large waste which creeps in and continually increases in connection with the manufacture of a returnable newspaper.

As a delivery man, a driver need possess merely the same grade of intelligence that is required of a delivery man in any kind of merchandising business. As a collector, a trifle more tact and diplomacy are required. But it is as a salesman that the qualities of the efficient driver are most in demand. Young Johnny Jones operating a news stand at a certain corner, places an order for the ensuing week for one hundred copies of *The Daily Tribune* for each day. The driver who delivers the district in which Jones' stand is located, knows that Jones can sell one hundred and twenty-five copies each day if he will stay at his stand a little later in the morning or come to it a little earlier. He knows that Jones is afraid of being stuck with papers which he cannot return. It is up to the driver to sell one hundred and twenty-five copies instead of one hundred copies a day to Jones, without intimidation or any other influence except what can be exerted by true salesmanship. Exactly at this point is determined the difference between a capable and an inefficient driver.

As a rule, those engaged in the retailing of newspapers in large cities include many foreigners, some of whom cannot even write their names. In some cities news vendors include a rough element which is quick to avenge fancied wrongs by the methods usually adopted by such people. During the newspaper strike in Chicago, the men who drove newspaper wagons, delivered and collected for the newspapers, were like the advance guard of an army, whose isolated position is likely to be cut off at any time by the enemy. They have to do their work in the dark hours of the morning and I can assure you that there were some routes in the City of Chicago for which drivers of an especially courageous nature had to be selected.

In addition to the drivers, many metropolitan newspapers employ a corps of inspectors, or as they are called in Chicago, division men. It is the duty of these men to watch the sale of newspapers in their respective divisions, and to determine whether or not the drivers are successful in selling as many copies of their particular newspaper as the public demands. These men must watch and verify the work of the drivers, adjust complaints and petty grievances and make sure that their newspaper is properly represented on the streets. The best division men are naturally graduates from among the drivers.

While the city circulation of a metropolitan newspaper is characterized by the keenest kind of competition, the securing and maintenance of country circulation is much less strenuous. I do not mean by this that there is no competition for country circulation, because there is a great deal of it. Country circulation is of two kinds, that among subscribers by mail and that among dealers. The subscriber may be solicited or he may send in his subscription voluntarily. In either

event his name and address is merely entered upon the records and upon receipt of payment in advance for the period specified, the paper is mailed to him. Where formerly papers mailed to subscribers were addressed by hand and later by a hand stamping device, nowadays there are several makes of machinery which address, fold, and wrap individual papers and slide them into mail bags ready for transportation to the trains. We have four of these machines in our office, each one of which has a capacity of about 9,000 single papers per hour.

Country circulation among dealers is shipped upon standing orders obtained both voluntarily and by means of a corps of traveling men who are continually visiting the surrounding territory in an endeavor to obtain more circulation, to adjust complaints and to check up slow payers. Country circulation among dealers is not as a general rule upon the paid in advance basis, bills being rendered monthly and those dealers who are financially irresponsible deprived of their supply of papers.

The methods of obtaining circulation, both city and country, are as numerous and as varied as the stars in the skies. Premiums, contests, prizes, bribes and gifts of every conceivable nature have been and are still employed by some newspapers. Every one of these methods has its advocates and nearly every one of them will bring results if a newspaper is willing to spend a sufficient amount of money to obtain them. It not infrequently happens that a newspaper will pay out to obtain circulation nearly as much as its gross circulation revenue. This practice, if persisted in, spells ruin for any newspaper. We of *The Tribune* believe that it is consistent with our policy of considering ourselves a manufacturing concern and of selling our papers

through our circulation department accordingly, to use no one of the methods which are commonly employed as an artificial stimulus. For some time past, we have not used so much as a two-cent stamp as an inducement to buy our paper. We do, however, spend a good many thousands of dollars in advertising to the public what we have to sell, in exactly the same way as any manufacturing concern advertises its product to the public. In printed advertisements placed in other newspapers we exploit the merits of our newspaper. We tell of its sources of obtaining news, of its features and of its cartoons. We also tell of the amount of advertising it carries, as I have previously described to you. Through this method and this alone we seek to create a constantly increasing demand for our product among the people, whose increased demand upon the carriers, the newsboys and our own subscription department tend to give us the increased business that we seek.

From this very brief outline of the kind of work required of the circulation department of a metropolitan daily, you can obtain some vague idea of the qualifications sought for in a circulation manager who shall have immediate supervision over all the many phases of the work of his department. It is small wonder that the efficient circulation manager is consulted by the news department for his opinion concerning the news value of stories. With the coming of the automobile, the circulation manager now finds it convenient to cover his city in the early hours of the morning, much as a general inspects his troops after they have been placed in the field and are ready for the battle.

The remaining one of the four broad divisions of the business side of a newspaper is that of Manufacturing. The business manager who exercises supervision over this branch as well as over the other three, must surround

himself with foremen who are efficient and trustworthy if he expects to produce the maximum results. The technical knowledge required of a man who could operate or assist in operating each one of the pieces of machinery in the office of a metropolitan newspaper, would mean not only years of book learning but also years of practical experience. There are mighty few business managers connected with big newspapers who have such knowledge. Lacking it, one must rely upon his subordinates in charge of the various divisions of the mechanical department and upon the common sense which is, after all, the basic principle in the management of any business, whatever may be its nature. In buying supplies for the manufacturing department someone, in the first place, must determine whether or not the supplies are necessary; then where they can be purchased to the greatest advantage and finally, whether the prices are the lowest that can be obtained for the requisite quality. In operation, someone must judge the requisite number of men to be employed in each branch of manufacturing and the efficiency of the work of the men who are thus employed. It must be determined whether or not the output of each piece of machinery is as great in quantity and as good in quality as it should be. Comparisons must be made between each of several machines doing the same kind of work in order to determine the comparative efficiency of each machine and of its particular crew. On these and many other points, statistics and reports should continually be at hand, through even a cursory examination of which the business manager may be able to determine whether the results sought are being produced. If these results are forthcoming, judicious commendation and ultimate financial reward will insure their continuance. If they are not forthcoming, the business manager must talk to his foremen,

and if a satisfactory explanation is not produced and if the unsatisfactory results continue, there is no recourse except to change foremen. In a business where one has to depend upon the efficiency and loyalty of subordinates, there is but one course to pursue and that is to give these subordinates, within reason, full power to manage the details of their respective departments as long as results are satisfactory. Care must be exercised to transact all the business of each department through the subordinate in charge of it. If a business manager attempts to interfere by transacting business without the knowledge of his department heads, confusion and dissatisfaction are bound to result. If the subordinates to whom such authority is delegated do not produce satisfactory results, the only method to follow is to replace them with others who will accept similar responsibility and produce results.

The manufacturing or mechanical department of a newspaper falls readily into four divisions. These are respectively, the work of the etching room, the composing and proof rooms, the stereotype room and the press room.

In the etching room are made all the cuts of illustrations that appear in the news and feature columns of the paper, and in the case of newspapers equipped to do commercial work, many of the cuts of illustrations which appear in the advertisements of local houses. The work of the etching department is of an especially delicate and technical nature and skilled employees are secured only from the ranks of those who have served a long apprenticeship. I think I am safe in saying that there is no business manager of a metropolitan newspaper who could go into an etching room, roll up his sleeves and succeed in making a cut from a photograph, a wash drawing or a pen-and-ink sketch.

As everybody knows, in the composing room is set either by machines or by hand, all the matter that is contained in a newspaper and that does not come into the office in plate form, as does a certain portion of the advertising. To the uninitiated, the fact that some of the news printed in the paper which is delivered at one's house at six o'clock in the morning is frequently received in the composing room in manuscript form as late as three o'clock in the morning, is difficult of belief. Of course all copy to be set does not come in at one time, and indeed advertising is frequently set up several days before the day on which it actually appears in the paper, in order that the advertiser may have ample time to see his proofs and make corrections. Even with the most careful arrangement for spreading the work of the composing room over the greatest possible length of time, the dead line for closing the last form is always at hand too soon and the frantic efforts to close the last page and send it to the stereotypers would indicate to the layman that there was no possibility whatever of getting out the newspaper on time and in good order. I shall not take up your time by a detailed description of the various steps in the transition from a written story to the printed page, believing that a better way of bringing this matter to your attention would be through a visit to our office in Chicago while this work is being done, and I hope that we may have such visits from you in groups, in the near future.

As each page of tomorrow morning's newspaper is made into its form, it is passed on to the stereotype department which takes from it the "blotting paper" impression known as a matrix, from which the curved plate is finally cast from whose surface the actual printing is done. In order to obviate the necessity of sending the heavy forms themselves down into the basement

where the plate casting and printing are done, a part of the stereotype department's work is usually done in the same room as that occupied by the typesetters, or in an adjoining room. The matrices thus made from the type forms are then sent into the basement by chute or lift and the actual plate casting is done in a room adjoining the press room, so that the transfer of the heavy plates, each of which weighs about forty pounds, may be done with the least possible effort. In the composing room, and in the upstairs work of the stereotype room, machines have taken the place of hand labor to a large extent. Where once all the type, both news and advertising, which appears in a newspaper was set by hand, today only a part of the advertising matter is still hand set and even that part is set from type which is made in the newspaper office itself upon machines especially designed for that purpose. In former days the impression on the paper matrix laid upon the type form was taken by beating with mallets held in the hand. To-day the same effect is produced by submitting the type forms with the paper matrices superimposed, to tremendous mechanical pressure.

The downstairs work of the stereotype department consists of the casting of the curved plates from the paper matrices. It is only a short time ago that this work was done by hand casting boxes into which the molten metal was poured by ladles held in the hand. This mechanical process, which was considered at the time of its adoption as pretty nearly the last word in plate casting, has now been superseded by a big machine into which the paper matrix is placed and by which an almost unlimited number of plates from a single matrix can be cast, one after another in rapid succession, every bit of the work except a simple trimming of the edges at the end of the process being mechanically done.

The plates thus cast are carried by hand into the press room, which is usually adjoining the stereotype room, and there are locked upon the cylinders of the presses in the proper order to produce a newspaper of the requisite number and proper succession of pages. As the type forms are received in succession by the upstairs end of the stereotype department, so the metal plates are received in succession by the press room, each one being locked in its proper position upon the press cylinders to await the arrival of the final plate, which is known as the starter. Each press as it finally receives the starter, is put in motion and the grind of the final stages of the night's work begins.

After the starters for the first edition of the daily issue of a morning paper are all upon the presses, there comes a brief lull all along the line except in the press room, and the chance to draw a brief breath between editions. The presses are kept running until a sufficient supply of papers has been printed to fill the demands of those dealers and subscribers who obtain the first or fast mail edition. In the meantime, later news is coming in and being set up in the composing room, where a certain number of fresh pages are made up to take the places of the corresponding pages in the earlier editions. These pages are sent through the usual course and finally emerge into the press room at the proper moment when they must be substituted for their predecessors upon the press cylinders. As these plates are finally changed, each press starts up again and the final or city edition, unless there are later extras on account of later news, is run off. On an ordinary day the presses clear about four o'clock in the morning.

In the case of practically all metropolitan newspapers the management has to deal with organized labor in

all the mechanical departments. Wages, hours and working conditions are settled in advance by written contract between the newspapers and the local and international bodies in the respective mechanical newspaper trades. Disputes occasionally arise concerning certain technical points, which are adjusted by committees representing the two parties, or in the case of disagreement, by arbitration boards organized either locally or nationally as the case in question may be susceptible of decision. The business manager, in addition to his other duties, finds it necessary to sit as a member of these committees and negotiate on behalf of his newspaper concerning such disputes, or upon their expiration, concerning the renewal of agreements with organized labor. During these meetings one is impressed with the intelligence and cleverness of those who represent the organized newspaper trades and one frequently finds among such men, those who know their history, their literature, their law and their politics to a degree that would considerably embarrass the average college graduate.

In giving you the foregoing outline of the business side of a metropolitan newspaper, you will observe that I have not invaded the field of the news and editorial department, I believe that this is the policy for a business manager to adopt. I believe that no business manager of a metropolitan newspaper should seek or be given any voice whatsoever in connection with what is printed in the news, editorial or feature columns. The business manager, in my opinion, should confine himself strictly to producing and selling his output and leave what is printed in or what is omitted from the news columns to the discretion of someone else.



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